

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

STANADYNE LLC *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10207 (TMH)

(Jointly Administered)

Related Docket No: 297

**MICROSOFT'S RESPONSE TO NOTICE TO CONTRACT PARTIES TO
POTENTIALLY ASSUMED, ASSIGNED, AND SOLD EXECUTORY
CONTRACTS AND UNEXPIRED LEASES**

Microsoft Corporation, by and through its undersigned counsel, respectfully submits the following response (“Response”) to Debtors’ *Notice to Contract Parties to Potentially Assumed, Assigned, and Sold Executory Contracts and Unexpired Leases* (D.I. 297) (the “Notice”).

1. Microsoft Corporation (“Microsoft”) and Stanadyne LLC (a/k/a Stanadyne Corporation) (“Stanadyne”) are parties to Business and Services Agreement U4514052, Master Agreement E8439453, and Enrollments 72865334 and 88620630 (collectively, the “Licenses”). The Licenses are cumulative and together comprise the contractual vehicle through which Stanadyne obtained subscriptions for Microsoft’s products and services. The Licenses are executory contracts for the non-exclusive license of intellectual property and the payment of royalties as described by 11 U.S.C. § 365(n), and payments due under the Licenses constitute royalties. *In re Prize Frize*, 32 F.3d 426 (9th Cir. 1994).

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number are: Stanadyne LLC (0378); Pure Power Technologies, Inc. (5202); Stanadyne PPT Holdings, Inc. (2594); and Stanadyne PPT Group Holdings, Inc. (1734). The Debtors’ headquarters are located at 405 White Street, Jacksonville, North Carolina 28546.

2. Stanadyne proposes to assume and assign two Microsoft contracts, for which the Notice lists a proposed cure amount of **\$0**. (D.I. 297, page 12 of 16).

3. As of the date of this Response, the cure amount listed in the Notice is correct. However, Microsoft anticipates issuing an additional annual invoice under the Licenses totaling **\$5,621.88** on or around August 1, 2023, for the final year of the Licenses as detailed on **Exhibit A**.

4. Accordingly, if Stanadyne intends to assume and assign the Licenses on or after August 1, 2023, the cure amount will be at least **\$5,621.88** pursuant to Section 365(b)(1) of the Bankruptcy Code.

5. Microsoft reserves the right to withdraw this Response or revise the stated cure amount pending further investigation. Depending on the timing of the actual assumption and cure, the amount owed may increase for unpaid post-petition use of Microsoft's products and services under the Licenses.

WHEREFORE, Microsoft states the cure amount for the Licenses on or after August 1, 2023 is no less than **\$5,621.88**.

Dated: June 7, 2023

FOX ROTHSCHILD LLP

/s/ Stephanie J. Slater

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on June 7, 2023, a true and correct copy of the foregoing MICROSOFT'S RESPONSE TO NOTICE TO CONTRACT PARTIES TO POTENTIALLY ASSUMED, ASSIGNED, AND SOLD EXECUTORY CONTRACTS AND UNEXPIRED LEASES was served via the Electronic Case Filing System for the United States Bankruptcy Court for the District of Delaware to all parties registered to receive such notice.

Also, the parties below were served via email:

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Future Billing Summary